



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

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March 30, 2012

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

QUARTERLY REPORT ON IN-HOME SUPPORTIVE SERVICES ANTI-FRAUD PLAN (ITEM NO. 22, OF NOVEMBER 24, 2009)

In response to your Board Motion of November 24, 2009, introduced by Supervisor Ridley-Thomas, this is the sixth quarterly report relative to In-Home Supportive Services (IHSS) anti-fraud strategies and related program integrity efforts. This report provides the highlights of the initiatives implemented to date, as outlined in the Department of Public Social Services (DPSS) IHSS Anti-Fraud Plan approved by your Board on November 24, 2009.

Due to the uncertainty of State funding for these initiatives, and other funding issues at the local level, this report was delayed and therefore includes data for a six month period from July through December 2011. Although State funding for this effort was eliminated as part of the trigger cuts for fiscal year (FY) 2011-12, DPSS received approval from the California Department of Social Services (CDSS) to extend the IHSS Anti-Fraud Plan through FY 2011-12 and to claim matching federal funding for County expenditures, retroactive to July 1, 2011. As a result, funding was reduced from \$10.4 million to \$3.1 million and the activities identified in the County's IHSS Anti-Fraud Plan were refocused. The IHSS Front End Verification Review (FEVR) units and one of two Quality Assurance (QA) units were disbanded effective November 1, 2011. A unit of DPSS fraud investigators continues to partner with the California Department of Health Care Services in the investigation of IHSS fraud and an amendment to the current Child Care Data Mining Services contract is being developed to further improve IHSS program integrity. These efforts will continue in FY 2012-13.

Public Assistance Crime Enforcement Unit

During the period of July 2011 through December 2011, the DA filed felony charges against 58 defendants. The amount of IHSS Program losses charged was \$560,413. Several of these cases also included losses in other public assistance programs, aggregating the total loss to \$1,088,690. Thirty-eight of these defendants were convicted during the period. Since no additional funding was authorized for the DA, they discontinued their participation in the program effective January 1, 2012. The DA will continue to prosecute IHSS fraud cases filed with their office as part of their Central Complaint Division.

IHSS Quality Assurance

Quality Assurance staff perform expanded IHSS case reviews as outlined in the Anti-Fraud Plan. During the period of July 2011 through December 2011, IHSS QA staff conducted 520 desk reviews and completed 119 home visits in support of program integrity and fraud detection. As reported in the second quarterly report, IHSS QA and FEVR staff worked in tandem in FY 2010-11 on a State-mandated Hospital Stay Error Rate Study. Some of the providers on these cases were overpaid by the State as a result of billing for services rendered while the IHSS consumer was hospitalized. DPSS requested provider repayment of the overpayments. Although the FEVR units and additional QA unit were disbanded effective November 1, 2011, the Department continued to receive overpayment collections from IHSS providers for terminated Hospital Stay Error Rate Study cases.

Automated System to Track All IHSS Investigations

Although IHSS benefits are issued on the State's Case Management, Information and Payrolling System (CMIPS), IHSS Fraud referrals are being tracked on the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) system. DPSS is in the process of expanding the tracking system to capture IHSS overpayment detail. The targeted completion date is May 2012.

Data Mining

On December 1, 2011, this Office issued a Board Memo reporting on the results of the 90-day Data Mining Solution (DMS) pilot for the IHSS Program as well as DPSS' next steps to proceed with amending the current DMS Agreement to expand into the IHSS program.

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Currently, DPSS and the CEO Service Integration Branch are finalizing negotiations with SAS to present DMS Amendment Number Two to the Board for final approval to implement the DMS-IHSS Expansion project. The targeted date is May 2012.

Fraud Referrals/Outcomes

The attached chart depicts the total number of fraud referrals and their outcomes for 2009, 2010 and 2011.

If you have any questions, or require additional information, please contact Antonia Jiménez at (213) 974-7365 or via e-mail at ajimenez@ceo.lacounty.gov.

WTF:AJ
DS:JAB:ljp

Attachment

c: Executive Office, Board of Supervisors
Acting County Counsel
District Attorney
Public Social Services

IHSS 6th Quarterly Report.bm-1

Attachment I

FRAUD REFERRALS/OUTCOMES	2009	2010	2011
Total number of fraud referrals	362	592	496
Number of convictions	21	61	72
Amount of funds involved in the convictions	\$640,931.00	\$1,114,814.00	\$733,874.36
Amount of funds recovered*	\$ 19,732.00	\$ 120,126.16	\$243,988.79

*Includes funds recovered for convictions from current and prior years. There is no estimate on cost avoidance due to case terminations.

FEVR/QA OUTCOMES	2010	2011
Cases reviewed	3,000	1,962
Overpayments Identified	\$561,000.00	\$496,194.62
Amount Repaid/Agreed to Repay	\$264,000.00	\$ 2,142.04